

# Post on-line privacy policy to win trust

As the recent Air Miles debacle shows, an organization can do itself incalculable damage by making private information accessible on-line, intentionally or not.

A security breach on the Air Miles Web site exposed confidential data that included the names, telephone numbers and addresses of people who had filled out an on-line application for membership in Air Miles, a program operated by Loyalty Group Canada Inc. of Toronto.

Privacy is probably one of the biggest concerns of Internet users. People are extremely bothered by the possibility that their personal information may be revealed or made accessible through a Web site, either on purpose or through error, as in the case of Air Miles.

There is also a lot of concern that many companies collect private information on-line, often through the use of questionnaires, and then misuse it for various purposes, such as reselling it to other organizations. Experience suggests that this is often the case. My wife once signed up for a few on-line financial services using her maiden name — she did not want to provide her married name. Within a few weeks, she started receiving credit card solicitations under that name. Clearly, one of the organizations had sold a list of visitors to the site. We plan to be very careful about providing personal information in the future.



E-BIZ

JIM CARROLL

There are two privacy issues at work when it comes to a Web site established by a small business.

First, if you collect any private information through your site, particularly through a credit card or other form of transaction, you should take steps to ensure that the data is not accidentally made accessible to unauthorized users visiting your site. You can hire security experts or "ethical hackers" to check your site for any unplugged holes in order to avoid the type of embarrassment suffered by the Air Miles program.

Second, you should clearly outline your privacy policy to visitors of your site. It can be an important document in winning their trust in dealing with you on-line.

The purpose of such a policy is to advise them as to what private information is collected on your site, how it is used or shared and the security that applies to any transactions. It should also indicate the type of security that you have established to protect confidential information on your site.

To prepare such a document, examine the privacy policies of any number of organizations on-line. Examples of a very detailed privacy policy can be found on the site of many multinationals — perhaps one of the best is on Ford Motor Co.'s site ([www2.ford.com/utilities/privacy](http://www2.ford.com/utilities/privacy)).

Another good model is on Patriot Computer Corp.'s Web site ([www.computers4families.com/Legal\\_Privacy.htm](http://www.computers4families.com/Legal_Privacy.htm)). Dallas-based Patriot provides a straightforward overview of what the company does with information collected through its Web site.

In addition, take a look at the site of California-based Truste ([www.truste.org](http://www.truste.org)), which helps organizations deal with on-line privacy issues. In less than five minutes, you can use its privacy "wizard" to prepare the outline of a privacy policy to display to your site's visitors.

Using examples such as these, I've managed to put together a privacy page for my own site, which sets out how any personal information collected during a visit may be used.

Much of doing business on the Web involves building trust with those who visit you. An honest and detailed privacy policy is perhaps the best way of building that trust.

*Jim Carroll is co-author of Small Business Online — A Strategic Guide for Canadian Entrepreneurs, and can be reached by E-mail at [jcarroll@jimcarroll.com](mailto:jcarroll@jimcarroll.com)*